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January 7, 2009

Mr. Chandler Poole
Director of Development
City of West Lafayette
609 Navajo Street
West Lafayette, Indiana 47906

**Re: Proposal for Environmental Consulting Services
Project Assistance
Right-of-Way of Yeager Road and Cumberland Avenue
West Lafayette, Indiana
August Mack Proposal Number PJ1505.380**

Dear Mr. Poole:

In accordance with your request, August Mack Environmental, Inc. (August Mack) is pleased to provide you with this proposal to provide our environmental consulting services to the City of West Lafayette. August Mack will assist you in project coordination and technical evaluation associated with the contaminant impacts identified in the Right-of-Way area of Yeager Road, immediately east of the CTS, Inc property. Tasks that could be performed by August Mack include data review, technical support and assistance, meetings, and project oversight activities. The Time & Materials cost estimate to assist West Lafayette in these efforts is **\$2,000**. You will only be billed for authorized work, and August Mack will provide monthly invoices and a summary of the current balance.

If you are in agreement with the scope of work and the attached terms and conditions, please sign a copy and return to August Mack as your authorization to proceed. We appreciate your continued trust in August Mack and look forward to working with you on this project. Please feel free to contact us if you have any questions or comments regarding this information.

Sincerely,

David J. Zbieszkowski, LPG
Senior Manager

Attachment

Authorized Signature: _____

Acknowledging the Attached Terms and Conditions

Date: _____

Compliance. Innovation. Commitment.
Experience the August Mack difference.

ATTACHMENT A

August Mack Environmental, Inc. Terms and Conditions

TERMS AND CONDITIONS

DEFINITIONS. When used herein, the terms "we," "us," "August Mack," or "our" refer to August Mack Environmental, Inc., and the terms "you," "your," "he/she," "his/her," "it," and "its" refer to Client.

AGREEMENT. This agreement is governed by the following terms and conditions in the order of precedence: a) these Terms and Conditions; and b) August Mack's Proposal accepted by Client (the Proposal and these Terms and Conditions shall be collectively referred to as the "Agreement"). This Agreement constitutes the entire agreement between the parties and shall supersede all prior oral or written communications.

SCOPE OF WORK. Client has requested that August Mack perform the work ("Work") as specified in and for the charges set forth in our Proposal and as authorized by Client.

COMPENSATION. Invoices for services provided are due and payable upon receipt. Balances outstanding more than thirty (30) days after invoice date shall be deemed delinquent and shall be subject to a monthly finance charge of 1 ½ percent, court costs, attorney's fees, and any other cost of collection incurred by August Mack.

RIGHT OF ENTRY AND RIGHT TO PROCEED. Client grants a right of entry from time to time to August Mack, its agents, staff, consultants, and contractors or subcontractors, to perform all acts, tests, studies, evaluations and research pursuant to the Work. To the extent that any of the Work requires access to property owned or controlled by a third party, Client represents that it has obtained all licenses, permits, and rights-of-way necessary to grant August Mack access to such property.

PERMITS. Client represents that it possesses all permits and licenses required to comply fully with all laws, ordinances, and regulations governing the performance of its activities at the site.

STANDARD OF CARE AND WARRANTY. Professional services provided by us will be performed, findings obtained, and recommendations prepared in accordance with generally accepted engineering principles and practices. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EITHER EXPRESSED OR IMPLIED.

INSURANCE. August Mack maintains workers' compensation and employer's liability insurance for our employees as required by state laws. In addition, we maintain comprehensive general liability and auto liability insurance. A Certificate of Insurance can be supplied evidencing such coverage. We will not be liable or responsible for any loss, damage, or liability beyond the amounts, limits, coverage, or conditions of such insurance specified above.

PROFESSIONAL LIABILITY. Client acknowledges and agrees that our total aggregate liability to Client or any third party arising from negligent professional acts, errors, omissions, or breach of the above described standard of care and warranty, shall not exceed the amounts, limits, coverage, or conditions of our professional liability insurance or our total fee, whichever is less.

HAZARDOUS SUBSTANCES AND CONSTITUENTS. Prior to the start of any Work Client shall advise us of any hazardous substances or any condition existing in, on, or near the site presenting a potential danger to human health, the environment, or equipment. Client shall provide continuing information as it becomes available to the Client in the future. We do not assume control of or responsibility for the site or the person in charge of the site, or for communicating with any federal, state, or local public agencies regarding the Work or the site, or undertake responsibility for reporting to any federal, state, or local public agencies any conditions that may present a potential danger to public health, safety, or the environment, including but not limited to spills, releases, or leaks. Client shall bear the sole responsibility for communicating with any federal, state, or local public agencies regarding the Work or the site, and for notifying the appropriate federal, state, or local public agencies in a timely manner, any information that may be necessary to prevent any danger to health, safety, or the environment, including but not limited to spills, releases, and leaks. Client shall indemnify and hold us harmless for the consequences of any communication or reporting or failure to report to any such public agency. Client shall have sole responsibility for compliance with any and all federal, state, or local laws, regulations, guidance, or other requirements relating to the handling, treatment, storage, or disposal of hazardous substances or constituents, and shall have sole responsibility for any and all changed conditions at, or hazardous substances or constituents introduced to the site by Client or any third party before, during, or after the completion of the Work. Client shall have sole responsibility for compliance with all applicable laws relating to the handling, removal, transportation, treatment, storage, or disposal of hazardous substances or constituents from, to or at the site. Client shall indemnify and hold harmless August Mack for any and all liability arising from such action, including but not limited to any allegation that August Mack is an owner, handler, generator, operator, treater, storer, arranger, transporter, or disposer under the Resource Conservation and Recovery Act as amended, the Comprehensive Environmental Response, Compensation, and Liability Act as amended, or any other similar federal, state, or local regulation or law.

CONTAMINATED EQUIPMENT. All laboratory and field equipment contaminated in performing the Work which cannot be reasonably decontaminated shall become the property and responsibility of Client. All such equipment shall be delivered to Client for final disposal. Client shall pay all costs associated with the storage, transportation, and disposal of such designated equipment. Client agrees to pay the fair market value of any such equipment which cannot reasonably be decontaminated.

UNFORESEEN OCCURRENCES. If, during the performance of the Work, any unforeseen hazardous substances or constituents or other unforeseen conditions or occurrences are encountered which, in our sole discretion affect or may affect the Work, the risk involved in performing the Work, or the recommended scope of the Work, we will promptly notify Client thereof. Subsequent to that notification, August Mack in its sole discretion may:

- (a) Complete the original Scope of Services, if practicable, in accordance with the procedures originally intended in the Proposal;

- (b) Agree with Client to modify the Scope of Services and the estimate of charges to include work on the previously unforeseen conditions or occurrences; or
- (C) Terminate the Work as provided herein effective on the date specified by us.

August Mack shall be excused for any delay in the performance of the Work resulting from unforeseen circumstances that could not have been avoided by the exercise of due care.

CLAIMS. If a third party or employee of Client brings a suit or claim for damages against us alleging exposure to or damage from hazardous substances, material, elements, or constituents at or from the property where the Work is being performed as specified in the Proposal or the surrounding property before, during, or after the Work, which is alleged to have resulted in or caused disease or any adverse health condition or other personal injury or property damage, including remediation costs, diminution of property value, or uninhabitability of property, then: Client shall be liable for, hold harmless, and indemnify us in any such suit or claim and pay on our behalf, to the maximum extent permitted by law, any and all damages, losses, liabilities, obligations, penalties, claims, judgments, costs, disbursements, or expenses, including but not limited to attorneys' and experts' fees, court costs and other costs, expenses, or disbursements, and personnel costs incurred in defense of such suit or claim. In the event that Client makes a claim against us of any kind or nature whatsoever for any alleged error, omission, or act arising out of the performance of the Work that cannot be mutually resolved without resort to arbitration or litigation, and Client fails to prove such claim, then Client shall pay all costs incurred by us in defending ourselves against the claim, including, but not limited to attorneys' and experts' fees, court costs, arbitration costs, and other costs, expenses, or disbursements, and personnel costs incurred in defense of such claim or suit. Client agrees that for the purposes of this Agreement it has failed to prove its claim when the monetary amount awarded to or recovered by it is less than the highest sum offered by us in writing to resolve the matter prior to resolution of the claim.

EQUIPMENT. In the event that August Mack leases certain equipment to Client in order to perform the work contemplated by this Agreement: Client shall be responsible to August Mack for any loss, theft, damage, destruction, or other misuse of that equipment, and shall pay August Mack upon written demand, the amount necessary to repair or replace that equipment. To cover Client's liability to August Mack for such equipment. Client may obtain and maintain appropriate insurance against loss, theft, damage, destruction, or other misuse of such equipment, which names August Mack as an additional insured with a carrier acceptable to us. If a third party or employee of Client brings suit or makes a claim for damages against August Mack arising out of such use of August Mack's equipment, Client shall indemnify and shall pay on our behalf, to the maximum extent permitted by law, any and all damages, losses liabilities, obligations, penalties, claims, judgments, costs, disbursements, or expenses, including but not limited to attorneys' and experts' fees, court costs and other costs, expenses or disbursements, and personnel costs incurred by us in defending such claim or suit.

DOCUMENTS. Client will furnish or cause to be furnished such reports, data, studies, plans, specifications, documents, and other information deemed necessary by us for proper performance of our services and Client warrants and represents that any such information provided shall not infringe on any United States or foreign patent, copyright, trade secret, or other proprietary right of any third party, and shall hold August Mack harmless and indemnify us for any such infringement. We may rely upon Client-provided documents in performing the Work; however, we assume no responsibility or liability for their accuracy. Client-provided documents will remain property of Client. All documents, including, but not limited to drawings, specifications, reports, boring logs, field notes, laboratory test data, calculations, and estimates, prepared by us as instruments of service pursuant to this Agreement, shall be our sole property. Client agrees and acknowledges that all documents furnished to Client or Client's agents or designees by August Mack shall be treated as confidential, and shall be disseminated only to those employees or agents whose duties justify their need to know such information, unless prior written authorization is obtained from August Mack or disclosure is compelled by a court of competent jurisdiction. Client further agrees that any documents not paid for will be returned to us upon demand and will not be used by Client for any purpose. Client further agrees that under no circumstances shall any documents produced by us pursuant to this Agreement be used at any location for any project or by any person not expressly provided for in this Agreement without our prior written permission. If Client uses all or any of our documents for another project or disseminates our documents in violation of this paragraph, to the maximum extent permitted by law, Client shall indemnify and hold us harmless from any and all claims arising from such unauthorized use. Further, no part of any document we deliver to Client shall be reproduced or distributed, whether for advertising or any other purpose, without our prior written consent. Any such reproduction or distribution shall be at Client's sole risk and without liability or legal exposure to August Mack, and Client shall indemnify and hold us harmless, to the maximum extent permitted by law, from any and all claims arising from such unauthorized reproduction or distribution.

RECORDS RETENTION. August Mack has a two (2) year records retention policy and will destroy all project records for all closed and inactive projects that are in excess of three (3) years old. Client shall notify us of any records it chooses or is required to maintain beyond the three-year retention period and we will provide them to the Client for Client's retention.

ASSIGNABILITY. Neither party shall assign or transfer their interest in this Agreement without prior written consent from the other party.

TERMINATION. This Agreement may be terminated by either party due to a material breach of this Agreement by the other party or for the convenience of either party. Prior to termination, the nonbreaching party shall provide the breaching party written notice of the breach. The breaching party shall have ten (10) days following the receipt of written notice to cure the breach. On the eleventh (11th) day following receipt of written notice, the nonbreaching party may terminate this Agreement if the breach has not been cured to the reasonable satisfaction of the nonbreaching party.

If not previously terminated this Agreement shall expire upon August Mack's completion of the Work. Upon termination of this Agreement, August Mack shall be entitled to payment for Work performed up to and including the date of termination as well as all reasonable costs of demobilization and closeout of the Work.

DUTY TO COOPERATE. The parties agree to provide reasonable access to information regarding the site or the Work performed and to responsible personnel as may be required to address any claim made regarding the Work performed or this Agreement. The parties further agree to provide copies to each other of any claims, demands, or notices from any federal, state, or local public agency regarding the Work performed or this Agreement.

NO WAIVER. The failure of August Mack to insist on strict performance of the terms hereunder will not be considered as a waiver of any right or remedies that it may have for any subsequent breach, default, or non-performance, or its right to insist strict performance of this Agreement. No waiver is valid unless in writing signed by August Mack.

SEVERABILITY. In the event that any provision herein shall be deemed invalid or unenforceable, the other provisions hereof shall remain in full force and effect, and binding upon the parties hereto.

SURVIVAL. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating responsibility or liability between Client and August Mack shall survive the completion of the services and the termination of this Agreement.

INTEGRATION. This Agreement and the documents attached hereto and which are incorporated herein constitute the entire agreement between the parties and cannot be changed except by written instrument signed by both the parties.

COUNTERPARTS. This Agreement and any subsequent modifications may be executed in counterparts, each of which shall be deemed an original, and all of which shall together constitute one and the same Agreement.

ALTERNATIVE DISPUTE RESOLUTION. Client and August Mack agree and acknowledge that all disputes or controversies arising out of, from, or under this Agreement or the parties' relationship (except for the need for extraordinary or provisional remedies such as injunctive relief or specific performance) that cannot be settled through negotiations between the parties will be settled by binding arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association then in effect. Arbitration shall take place in Marion County, Indiana. The arbitration shall be conducted before one (1) neutral arbitrator if the dispute or controversy involves legitimate claims in the aggregate of less than Two Hundred Thousand dollars (\$200,000.00) or before three (3) neutral arbitrators if the dispute or controversy exceeds in the aggregate Two Hundred Thousand dollars (\$200,000.00). If arbitration or litigation is commenced, the prevailing party shall be entitled to reasonable expense including reasonable attorney fees.

GOVERNING LAW, VENUE, AND JURISDICTION. This Agreement is and shall be deemed to be a contract entered into and made pursuant to the laws of the State of Indiana and shall in all respects be governed, construed, applied, and enforced in accordance with the laws of such State. Any litigation brought in connection with this Agreement shall be commenced and maintained in the United States District Court for the Southern District of Indiana in Indianapolis, Indiana or the Superior Court of Marion County, Indiana having jurisdiction over the parties and the subject matter of the dispute.